



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Ordinance No. 1820 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20, 'Electrical Service,' by Adding A New Section 13.20.315, 'Schedule EDR – Economic Development Rates'"

MEETING DATE: April 15, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1820.

BACKGROUND INFORMATION: Ordinance No. 1820 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20, 'Electrical Service,' by Adding A New Section 13.20.315, 'Schedule EDR – Economic Development Rates,'" was introduced at the regular City Council meeting of April 1, 2009.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. **Cal. Gov't Code § 36934.**

Ordinances take effect 30 days after their final passage. **Cal. Gov't Code § 36937.**
This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/jmp
Attachment

APPROVED:

Blair King, City Manager

ORDINANCE NO. 1820

AN ORDINANCE OF THE LODI CITY COUNCIL
AMENDING LODI MUNICIPAL CODE CHAPTER 13.20,
"ELECTRICAL SERVICE," BY ADDING A NEW SECTION
13.20.315, "SCHEDULE EDR – ECONOMIC
DEVELOPMENT RATES"

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Chapter 13.20 is hereby amended by adding a new Section 13.20.315, "Schedule EDR – Economic Development Rates," to read as follows:

13.20.315 SCHEDULE EDR • ECONOMIC DEVELOPMENT RATES

APPLICABILITY:

This rate is available to qualified commercial customers for the purpose of (i) new industrial business attraction or existing industrial facility expansion, (ii) new business attraction directly related to tourism and/or the wine industry and (ii) new business attraction directly related to the green technology sector. Customers must file an application requesting an Economic Development Rate (EDR) discount prior to taking electric service for the qualified new or expanded load.

INDUSTRIAL BUSINESSES

QUALIFYING CUSTOMERS:

An industrial customer is one who operates facilities that are not involved in the sale of goods and services directly to the public as determined by the Electric Utility Department (EUD).

BASE DISCOUNT:

The Base Discount shall equal ten percent (10%) of the electric bill associated with the qualified new or expanded load. The Base Discount shall not apply to the Solar Surcharge, CEC fee, State Energy Tax, or any other assessment or charge levied on electric bills after the effective date of this rate schedule unless specifically provided otherwise. (Note: The EDR is not available for G I customers.)

JOBS CREATION DISCOUNT:

An EDR qualified customer may receive an additional five percent (5%) discount of the electric bill associated with the qualified new or expanded load if they create a minimum of 25 new jobs (G2 customers) or 50 new jobs (G3, G4, G5, and I1 customers). If the new job count associated with qualified new or expanded load falls below this level in any given month, no Jobs Creation Discount shall be applied for that month. The Jobs Creation Discount shall not apply to the Solar Surcharge, CEC fee, State Energy Tax, or any other assessment or charge levied on electric bills after the effective date of this rate schedule unless specifically provided otherwise.

ENERGY EFFICIENCY DISCOUNT:

An EDR qualified customer may receive an additional five percent (5%) discount of the electric bill associated with the qualified new or expanded load if the new facilities constructed for the new or expanded load are awarded a Silver or higher "Leadership in Energy and Environmental Design" (LEED) designation. Following receipt of the applicable LEED certification, the additional discount shall become effective for the remainder of the EDR period.

ENTERPRISE ZONE DISCOUNT:

An EDR qualified customer may receive an additional five percent (5%) discount of the electric bill associated with the qualified new or expanded load if the new or expanded load are located within the boundaries of the City's Enterprise Zone as set forth at the time of customer application.

MAXIMUM DISCOUNT LEVEL:

In no event may a single new or expanded load receive a total discount in excess of twenty percent (20%) of the electric bill associated with the qualified new or expanded load.

MINIMUM LOAD ADDITION:

To qualify for the Economic Development Incentive Discount, the new or expanded load must be sized at or greater than the following:

G2	50 kilowatts (KW)
G3	50 KW
G4	100 KW
G5	200 KW
I1	200 KW

Customer must provide information satisfactory to EUD regarding the planned size of the new or expanded load. The new or expanded load eligible for an EDR shall be separately metered. If a customer's discounted load level falls below the applicable minimum level in any given month, no discount shall be applied for that month.

LOAD FACTOR:

Customer shall maintain a monthly load factor of at least forty-five percent (**45%**) for the load receiving a discount. If the load factor falls below this level in any given month, no discount shall be applied for that month.

SCHEDULE I1 AMENDMENT

On the effective date of this Schedule EDR, the provision of the I1 Rate Schedule providing for a ten percent (10%) discount in electric rates for 12 months if a customer adds 200 KW or more of electric load, shall be null and void.

TOURISM AND/OR WINE INDUSTRY BUSINESSES

QUALIFYING CUSTOMERS:

The EDR shall apply only to those new businesses that are substantially and directly related to tourism and/or the wine industry as determined by EUD. Examples of such businesses include those that are marketing Lodi and/or local wine products, hotel including bed and breakfast establishments, and restaurants, gift shops, and boutique-type stores within or immediately adjacent to the downtown Lodi shopping district.

BASE DISCOUNT:

The Base Discount shall equal ten percent (10%) of the electric bill associated with the qualified new or expanded load. The Base Discount shall not apply to the Solar Surcharge, CEC fee, State Energy Tax, or any other assessment or charge levied on electric bills after the effective date of this rate schedule unless specifically provided otherwise.

“GREEN” TECHNOLOGY BUSINESSES

QUALIFYING CUSTOMERS:

The EDR shall apply only to those new businesses that are substantially and directly involved in the development, marketing, sale, manufacturing, and/or installation of green technology products and services as determined by EUD. Examples of such businesses include those directly involved in solar, wind, geothermal, biomass, and fuel cell industries. Green Technology Businesses that are otherwise eligible for an EDR Industrial Business discount may elect to apply for that discount in lieu of this Green Technology Business discount.

BASE DISCOUNT:

The Base Discount shall equal ten percent (10%) of the electric bill associated with the qualified new or expanded load. The Base Discount shall not apply to the Solar Surcharge, CEC fee, State Energy Tax, or any other assessment or charge levied on electric bills after the effective date of this rate schedule unless specifically provided otherwise.

GENERAL PROVISIONS

LENGTH OF DISCOUNT:

As to any customer, the EDR shall apply for a period of thirty-six (36) months.

TERM OF EDR SCHEDULE:

This Schedule EDR shall be in effect until June 30, 2011, for new customers. Once a customer is placed on this rate schedule, however, that customer's discount shall be in effect for thirty-six (36) months unless terminated earlier as provided in this schedule.

IMPLEMENTATION:

EUD shall be responsible for establishing administrative rules and processes for administering this rate schedule. Customers shall provide information on a timely basis to enable EUD to verify eligibility and to administer the terms of this rate schedule.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or

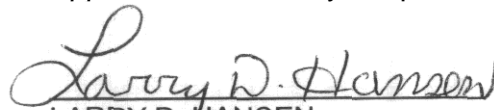
applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

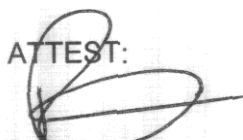
SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

SECTION 6. This amended Schedule referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after July 1, 2009, or the first date allowable under State law.

Approved this 15th day of April, 2009


LARRY D. HANSEN
MAYOR

ATTEST:

RANDI JOHL
City Clerk

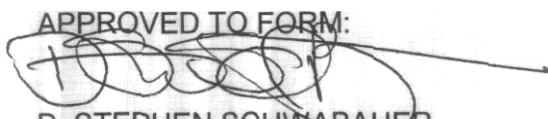
State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1820 was introduced at a regular meeting of the City Council of the City of Lodi held April 1, 2009, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held April 15, 2009, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Johnson, **Katzakian**, and Mayor Hansen
NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – Mounce
ABSTAIN: COUNCIL MEMBERS – None

I further certify that Ordinance No. 1820 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.


RANDI JOHL
City Clerk

APPROVED TO FORM:

D. STEPHEN SCHWABAUER
City Attorney